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TRADE UNIONISM IN THE IRON INDUSTRY: A DECADENT ORGANIZATION ¹

SUMMARY

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I

LOCAL unions were formed in the iron industry as early as the decade of the forties; but it was not until after the Civil War that they attained permanence of organization. By 1873 there were three national unions: the Sons of Vulcan, with a membership of 3331, was composed of puddlers and their helpers; the Associated Brotherhood of Iron and Steel Heaters, Rollers and Roughers, with a membership of 700, was composed of the skilled men in that branch of the industry; and the Iron and Steel Roll Hands of the United States, with a membership of 473, was composed of the semi-skilled

¹ The material for this study was collected while the writer was acting as special agent for the United States Commission on Industrial Relations. Grateful acknowledgment is made to union officials and to employers and their representatives who contributed information.

On the early history and policies of unions in the iron and steel industry, valuable material is in the following: Wright, C. D., *The Amalgamated Association of Iron and Steel Workers*; *Quarterly Journal of Economics*, vol. vii, pp. 400 ff.; *Conditions of Employment in the Iron and Steel Industry*, Senate Document no. 110, 62d Congress, 1st session, vol. iii, pp. 107 ff.; Fitch, J. A., *The Steel Workers*; and Fitch, J. A., *Unionism in the Iron and Steel Industry*, *Political Science Quarterly*, vol. xxiv, pp. 57 ff.

men in the rolling crews, together with a few rollers and roughers.

Inter-union jealousies and disputes weakened the bargaining power of each of these organizations. The recognition of this weakness brought about their consolidation in 1876 under the name of National Amalgamated Association of Iron and Steel Workers. The name was largely a misnomer, since nearly all of the members were iron workers. Steel production in the United States had not yet become an important part of the industry.¹

In the Amalgamated Association, the Sons of Vulcan formed 85 per cent of the original membership and for a considerable time dominated its policies. From the first a sliding scale of wages, based upon fluctuations in the market price of iron, was established and maintained by the union. The success of the union in the iron industry was continuous and progressive during the first fifteen years of its existence and by 1890 nearly all mills signed its scale. Closed union shop was strictly adhered to in the unionized mills at this time. In the steel industry the union never gained the advantage it enjoyed in the iron industry and in its strongest years probably never controlled 50 per cent of the steel workers.

The high mark in membership in the Association was reached in 1891, when 24,068 were enrolled. Previous to this time there had been numerous strikes and in 1882-83 a series of disputes had resulted in a tem-

¹ During the years from 1860 to 1864 only about one per cent of the total production of pig iron was used in making steel. The crucible process had been introduced only a few years before and the "cementation" process was slow and expensive. Within the next five years both Bessemer and open-hearth steel were produced on a commercial scale. Yet during the first half of the seventies the total production of steel was less than one-tenth as great as that of puddled iron and did not equal it until the middle of the eighties. Since that time the production of iron has barely held its own, indeed has declined slightly; while the output of steel has increased steadily until now it is more than fourteen times as great as that of finished iron.

porary loss of union strength. The Homestead strike of 1892 was the first blow to the union from which it did not fully recover. Membership dropped to 20,975 in 1892; to 13,613 in 1893; and to a probably overstated estimate of 10,000 in 1894. The Homestead strike almost disrupted the union in its steel connections and greatly weakened it in the iron mills.

During the next decade the union steel workers hardly maintained the remnant of their strength left them at the close of this strike. At the same time the production of steel was increasing very rapidly. In its relation to the steel manufacturers the policy of the union was suicidal. Frequent changes were being made in the technique of the industry and with each improvement the union demanded the full advantage of the new machinery and tried to keep the ton rate of wages at the same level. At the same time the new improvements made possible the substitution of an increasing proportion of unskilled labor for skilled. The union did not organize these unskilled men and hence did not have their active support in labor disputes. Finally, the union limit of output, established at a time when the required number of heats took approximately twelve hours, was rigidly maintained even after improvements in machinery permitted a shortening of the day to ten hours. The union was unwilling either to increase the number of heats to make a full twelve hour day or to decrease its number to make an eight hour day and thus permit continuous operation of the mills.

Throughout the decade following the Homestead strike, the steel manufacturers temporized with the union, granting agreements for a part of their mills and operating others as non-union or open shops. In reality this was a mere subterfuge to prevent open conflict, since the union had but little direct influence

upon wages in the steel industry. When consolidation became the order of the day in the steel industry in 1900, unionism revived for a time and the membership of the Amalgamated Association rose from 11,050 in 1899 to 14,035 in 1900. Thinking that the difficulties which the consolidation presented to the employers and the appeal to the investing public for the sale of securities would handicap the employers in wage bargaining, the union assumed its former aggressiveness and amended its constitution in 1900 as follows: "Should one mill in a combine or trust have a difficulty, all mills in said combine or trust shall cease work until such grievance is settled."

The United States Steel Corporation accepted this challenge of "all or none," refused to grant agreements for all its mills, and a strike resulted. The public support which the union expected did not materialize. Dissensions developed within the organization and the members in some mills refused to stay on strike. Furthermore, the predominance of non-union mills already running made the strike of comparatively little consequence to the Steel Corporation. Recognizing their defeat, the union proposed arbitration. This was refused by the Corporation. A little later the union accepted terms proposed by the Corporation which were much less advantageous than those offered at the beginning of the strike.

As a result of this strike the union suffered a loss in membership from 15,198 in 1902 to 10,904 in 1904. From 1902 to 1908 inclusive, the United States Steel Corporation continued to temporize with the Amalgamated Association, and by granting agreements for mills which were later dismantled or kept out of use it succeeded in so weakening the union in its mills that in 1908 only fourteen mills of the Corporation were union-

ized; and of these fourteen, two had been definitely abandoned. In 1909, in order to make the labor policy of the entire Corporation consistent, "open shop" was declared in these mills. A strike followed but was lost. The entire Steel Corporation has since been non-union.

II

The United States Steel Corporation has never been a producer of puddled iron. In this branch of the industry the Republic Iron and Steel Company at first operated most of the iron mills and bargained with the Amalgamated Association through the trade agreement system. Beginning as a producer of iron, this corporation has gradually dismantled and abandoned its iron mills until it has but two remaining. These two mills make agreements with the Amalgamated Association, or rather, they accept the agreements which the Association makes with the Western Bar Iron Association.

As the Republic Iron and Steel Company abandoned the production of iron, independent mills appeared to carry on the industry. Until 1906 the Amalgamated Association had made its yearly agreements with the Republic, and other union mills had accepted the scale so agreed upon. The Republic dealt with the union at this time through the company's labor commissioner, a man who had formerly been a trustee of the union. This commissioner has acted in a similar capacity for the other union mills since 1892. By 1906 the mills outside of the Republic controlled the manufacture of iron. Partly because of the necessity for dealing collectively with labor and partly because of their mutual interests in meeting the increasing competition with steel, twelve of these independents organized the Western Bar Iron Association and engaged the Republic's former labor commissioner as executive secretary.

In 1906 the new association made an agreement with the union which was practically a renewal of the existing agreement. These agreements, signed each year since, always represent a compromise between what the union asks and what the employers are at first willing to grant. In addition to the reasons which make this true of every trade agreement, special reasons apply here. The scale is in two parts — the base rate and the footnotes. There has been but little change in the base rates during the life of the agreement system. Changes in the footnotes are more frequent. Each year the officials of the union make a fight over the wording of a new agreement, even tho few changes are expected. A large number of footnotes are always asked for: first, in the hope that a few will be accepted by the employers at their face value or that some may pass through as “jokers”; and second, many are introduced for the purpose of display and prolonged discussion, even tho the union officials have no expectation of their acceptance. The members of the union at least are in this way impressed with the importance of their organization.

The agreement is in force for one year, from July 1 to June 30. The employers would prefer a long-term agreement — three to five years — since in the history of the agreement system there have been no long periods of decreasing wages and since they feel that more settled conditions would obtain under a long-term agreement. The union officials prefer a one year agreement as the only practicable means of holding the union intact.

At the time of the formation of the Western Bar Iron Association, the agreements provided a plan of arbitration in case conciliation failed at any time. But both employers and union feared to put the plan to a test and in 1909 it was abandoned. The agreements since that

time have provided that there shall be no cessations of work until after an investigation of grievances shall have been made. All grievances are settled by the secretary of the Western Bar Iron Association and the union officials.

It is understood that a wage conference will be called by July 1 of each year. In the event of failure to reach an agreement, the existing agreement continues in force for one month while the conference committee continues deliberations. A longer period than one month is provided if both parties consent. Previous to July 1, the union has its annual meeting and draws up a tentative scale for the guidance of its conference representatives. The representatives, however, are not bound by this tentative scale. These are twenty in number, five chosen by the president of the union, from each of the four trades in the industry — boiling, finishing, sheet making, and tin making. The employers are represented by the secretary of the Western Bar Iron Association and a committee composed usually of one representative from each mill in the Association.

A few outsiders, both in the eastern field and in isolated districts, sign the scale adopted by the Western Bar Iron Association. Other outsiders operate non-union mills and little effort has been made recently to unionize them. In the East the conditions of production are such that less skill is required than in the West. Wages are correspondingly lower in the eastern mills. Preferential shop is the rule where the scale is in operation, altho even this is not guaranteed in the agreement.

The footnotes provide for direct limitation upon output, both as to the size of the heat and the number of heats. The number of heats per turn determines the length of the working day, which is usually ten to eleven hours. In addition, the footnotes fix the prices of

"extras," determine minor issues such as shields on furnaces, top buggies, repairs, payment for lost time and for spoiled materials. The footnotes also prescribe the number of helpers in some branches of the industry and the source of their wages; the number of rollers to be employed in each mill; the proportion of helpers' wages to those of skilled men, and so on.

In a sense, the men covered by the agreement include the foremen. For example, the muck roller is a sort of contractor and hires his night roller and all helpers. This is true also in other branches of the industry.

There is no regular system of apprenticeship in the iron industry. The industry is scarcely maintaining its annual production in competition with steel and hence does not require an increasing supply of skilled men. When a man drops out of a skilled job a series of promotions follows until the man at the bottom moves from his unskilled work into a semi-skilled job. As will be shown later, the union gives attention to him for the first time when this promotion is granted him. The mill superintendent usually controls promotions, tho he sometimes consults with or receives suggestions from the union men.

III

In the face of complete non-unionism in the steel industry and even in the iron mills in the East, the Amalgamated Association, nevertheless, is able to maintain its agreements with the Western Bar Iron Association for very definite reasons. While the technique of steel production has experienced revolutionary changes and is still undergoing such changes, all of which make possible the use of unskilled and recently arrived immigrants, the iron industry has experienced practically no

change in technique in forty years; because, it is said, no inventions have as yet been found practicable to do for iron what has been done for steel in making the latter primarily a machine product. Hence practically the same proportion of skilled men is present in the iron industry as was required two generations ago. Furthermore, there is an absence of concentration of capital in the iron industry and only one corporation in the Western Bar Iron Association operates more than one mill. Finally, only a relatively small part of the employees in the industry are protected by agreements, and these few are the most indispensable men in the industry. English speaking men still hold the skilled jobs. Not over 25 per cent of the total force in the union mills are members of the Amalgamated Association and not over 35 per cent are covered by the agreements. While others have been eligible to membership since 1889, theoretically at least, they have been practically excluded. Attempts to unionize the 65 per cent not covered by the agreements into separate organizations have usually been frowned upon by officials of the Amalgamated Association, so that the union has in reality been a great aid to the employers in keeping down the radical element in the industry.

In addition to the ever-present minority of such radicals, there have been four distinct organized movements to democratize the Amalgamated Association within recent years, all of which have been defeated by a combination of the conservatives in the union and their employers. In 1907 some of the puddlers withdrew from the union and formed a separate organization which they called the Sons of Vulcan. They claimed that they were not receiving sufficient attention from the more highly skilled members of the union. For a time they were unable to gain sufficient strength to

force recognition from their employers, but they finally secured a number of flat-rate agreements to supplant the sliding scale of the Amalgamated Association. As soon as prices fell so that the sliding scale of the older union was more advantageous to the employers, a combination of employers and the older union was effected by which the Sons of Vulcan was disrupted in one mill after another. Since then many of the members of the disrupted union have returned to the Amalgamated Association.

In 1908 the president of the union listened to the wishes of the growing minority and announced a "New Policy," involving a more democratic organization of the men in the mills. This too was defeated by the conservative members of the union. The new policy involved the substitution of mill scales for the existing general scale. This may have helped to defeat it.

During the convention year from June, 1912 to June, 1913, two insurgent movements among the wage earners in the iron industry took definite form. One, styled the Progressive Movement of the Amalgamated Association of Iron, Steel and Tin Workers, was an attempt to place the control of the Association in the hands of the then democratic minority and to reorganize it as an industrial union. It was avowedly a movement within the parent organization and not a secession from it. Its declaration of principles was significant, and the essential passages are given below.¹

¹ First, We believe in industrial unionism:

(a) Because the manufacturers of iron and steel from mine to finished product are organized industrially to fight organized labor.

(b) Because our present form of organization as a craft of skilled workers cannot meet the present industrial concentration and fight to win. . . .

Second, We believe in the initiative and referendum and the right of recall:

(a) Because our present undemocratic form of organization centralizes too much power and responsibility in the hands of a few, which permits that few to become absolute dictators.

(b) Because when the responsibility of control and management of the internal affairs of the organization are placed in the hands of all the members that responsi-

Fearing to test the strength of this Progressive Movement in the convention of 1913, the national officials took advantage of a technicality in an amendment to the constitution and declared that the usual annual election would not be held but that the existing officials would hold office for another year. By the following year the zeal of the Progressives was considerably chilled. This insurgent minority still exists and has forced some concessions from the conservatives, such as the election of officers by referendum vote; but it has not yet succeeded in making an industrial union of the Amalgamated Association.

The second insurgent movement, contemporaneous with the one above described, took the form of a secession from the Amalgamated Association. Altho originating in the sheet and tin industry, its founders expected to extend it to every branch of the iron and steel industry. The manifesto of this organization is also significant.¹ After an analysis of the relation of employer

bility will reflect itself in better understanding and in the diffusion of knowledge and education. . . .

Third, We believe that the organization should make changes in the national official force, not because of personal or individual animosity, but because such changes are imperatively needed:

(a) Because the present national officers have nothing to offer to meet the situation that confronts the organization.

(b) Because the present officials have opposed and hindered all progressive changes and measures, and have not advanced any new ideas or policies to meet the situation.

(c) Because the present national officials have failed absolutely to retain the confidence and approval of the rank and file of the membership, and the men who work in the open shops and the non-union mills.

Sixth, We are opposed to the dual organizations known as the Industrial Workers of the World and the Sons of Vulcan:

(a) Because in the case of the former, we believe that the Amalgamated Association principles and policies can be changed within the organization to conform to the basic principles of the I. W. W., which is industrial and class solidarity, and that is what the Progressives in the Amalgamated Association are urging and agitating for.

(b) Because the Sons of Vulcan form of organization is obsolete, and its only strength is derived through the Amalgamated Association, and because such dual organizations are used as a club to break the strongest organization by the manufacturers. . . .

¹ It reads in part as follows:

To the workers of the iron and steel industry:

We, the workers of the sheet and tin industries of Niles, Ohio, have pulled away from the Amalgamated Association of Iron, Steel and Tin Workers, and have formed a

and employee under the existing economic system, it declares for direct action as the means of securing justice to all men employed in the industry. The new organization, suiting its actions to its words, actually began a campaign of direct action by walking out of three mills at Niles. Through the coöperation of the Amalgamated Association, the employers were able to start their mills again and to break up, for the time at least, the Industrial Iron and Steel Workers of America.

The fear of the recurrence of such movements as this organization started, and as the Progressive Movement above described had planned, is a continuing source of strength to the conservatives in the Amalgamated Association. Some employers frankly admit that they consider an agreement with the Amalgamated Association, covering a relatively small percentage of their employees and these the most indispensable, as a sort of insurance against a more democratic union which might force terms for all men in the mills.

In addition to this negative influence of the Amalgamated Association, its conservative policy makes a positive appeal to the employers in the bar iron industry. The supply of highly skilled men in the industry is relatively small and it is advantageous to keep this supply in a mood to be satisfied with the conditions of work. This is especially true since in practice the agreements are very flexible. For example, in a dull

new organization, known as the Industrial Iron and Steel Workers of America, composed practically of all workmen working in or about said industries, with one single exception — that is the rollers.

The object of resorting to such stringent measures (that is, denying the rollers admission into our movement) is simply because our past and present experience (which is the groundwork of all knowledge) has revealed this truth, that the majority of them are devoid of principle; further reasons for taking this stand against the rollers are, because the position their selfish desires have placed them in possession of, has made cowards, traitors, and even strike-breakers of them, and by their attitude and disposition, which has been made manifest, it is a clear revelation that they are (with no question for doubt) devoid of the true moral courage deemed necessary to coöperate with a movement which tends to remove the burdens of oppression.

season, when work is scarce and laborers are plentiful, the union is not too insistent upon the enforcement of all footnotes. This amounts in some cases to the equivalent of wage reductions for such seasons, even below what the agreement provides for specifically.

Finally, the secretary of the Western Bar Iron Association undoubtedly plays a large part in the continuance of the agreement system in the iron industry. Having been at one time a national trustee of the Amalgamated Association, he knows the union as well as the association which employs him. He acts as a sort of buffer between the opposing interests. He is trusted by both union men and employers, and hence is able to take a more or less neutral stand between the radicals of both parties. In short, when disputes arise, he acts more as judge than as attorney for either the plaintiff or the defendant.

IV

In the sheet and tin plate industry the Amalgamated Association is tolerated by some of the independent mills, but it has ceased to be an active factor in wage bargaining. In the first place, the American Sheet and Tin Plate Company, by producing approximately 40 per cent of the total output of sheet and 60 per cent of the output of tin plate, controls wages in the industry. In the second place, but 22 per cent of the sheet mills and 11 per cent of the tin plate mills are unionized. Then too, the manufacture of tin plates is a tariff fostered industry and wages are affected by changes in the tariff. In fact, the relation between union wages on the one hand, and the tariff and the American Sheet and Tin Plate Company's wages on the other, is so close that altho wage scales are signed for one year in the union

sheet and tin plate mills, it is understood that if the American should cut its wages or if an unfavorable change is made in the tariff, a new wage conference may be demanded within the year.

Hence, in general, American Sheet and Tin Plate wages determine union wages in the independent unionized mills. The American tolerates no footnotes but its base rate is correspondingly higher than the base rate in the union scale. Non-union independent mills pay a little less than the American and the union mills, but as a rule they do a lower grade of work and use less skilled men. Many of the unionized independent mills are specialty mills and are willing to deal with the Amalgamated Association in order to secure the services of the more highly skilled men represented in the Association.

The policy of the union in dealing with the sheet and tin plate manufacturers is essentially the same as that outlined in the discussion of the agreements with the Western Bar Iron Association. The sheet and tin plate manufacturers secure the same protection against the formation of an industrial union and the same assurance of the continued good will of their highly skilled workmen.

Unlike the bar iron industry, the sheet and tin plate industry has no definite association of manufacturers organized for the purpose of dealing collectively with labor. An organization known as the Association of Sheet and Tin Plate Manufacturers, representing one hundred and seventy-four sheet mills and seventeen tin plate mills, gives attention to such matters as credits, spelter prices, and trade conditions, but it does not deal with labor directly. Some of its members operate union mills, while others do not deal with the union. Manufacturers having ninety-eight sheet mills and fifty tin

plate mills send representatives to deal with the union each year. But the agreements which the conferences frame are binding only upon those manufacturers who sign the scale as individuals.

V

The future of the Amalgamated Association of Iron, Steel, and Tin Workers is hard to foresee. Many of the highly skilled men, even in the union mills and working under the protection of trade agreements, are indifferent toward the organization and refuse to keep up their membership. Some interest is maintained by the union officials by a pretense at struggle and victory in making agreements, when no real contest with employers exists.

But it does not appear that the union is able to control the recruits to its trades. The men who now perform the unskilled labor in these industries, and from whom the future skilled men must be selected, are largely southern Europeans, whose allegiance to craft union principles has not yet been generally demonstrated. At present these workers are entirely ignored by the skilled members of the union. The American Federation of Labor has organized a few of these unskilled men into locals affiliated directly with the Federation. No general organization even along these lines has been attempted. The officials of the Amalgamated Association are inclined to favor the organization of the unskilled workers according to the plans laid down by the A. F. of L.; but they are unwilling to commit themselves to the policy of taking over these locals later and making them a part of the Amalgamated Association.

In the non-union shops and in the mills of the American Sheet and Tin Plate Company, southern Europeans are rapidly displacing the American born and the repre-

sentatives of the older immigration in the semi-skilled and even in the skilled branches of the industry. A shift of such men from non-union mills to those that are now unionized would be an easy task. The same conditions exist in the bar iron mills, tho perhaps in a somewhat lesser degree than in the sheet and tin plate mills.

In other words, it is not quite clear how the Amalgamated Association can retain even its present limited strength for another generation. And to become a real force in the industry, very radical changes are imperative. The conservatives now in control of the union are trying to maintain a form of organization which is obsolete. In an industry where the employers set the standards for effectiveness of the forces of organized capital, labor cannot hope to safeguard its interests by the weak protests of old-line craft unionism. As already indicated, the Amalgamated Association has ceased to be an effective factor in wage bargaining in the iron and steel industry. Instead, its existence in its present form bars the way to the creation of a stronger and more inclusive industrial union.

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